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Uzbekistan, Republic of

Grain and Feed

Wheat Production Update

2004

Approved by:

James Higgiston
U.S. Embassy

Prepared by:

Nizam Yuldashbaev

Report Highlights:

Uzbekistan's MY2004/05 wheat harvest is almost complete. Wheat production is forecast at 5.2 million metric tons (MMT). Exports are expected to reach 400,000 tons. At the same time, hard wheat imports are estimated at 100,000 tons.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Ankara [TU1]
[UZ]

PRODUCTION

Uzbekistan MY04/05 wheat harvest is almost completed. This year planted area was decreased by almost 70,000 hectares (ha) from last year, totaling 1.37 million ha. Of this area, irrigated land was 1.08 million ha. To date, no official statistical data has been published by the Ministry of Agriculture and Water Resources, although according to various industry and trade related sources the preliminarily MY04/05 wheat production is forecast at 5.2 MMT. State agencies reportedly procured more than 2.2 MMT of wheat. The remaining wheat will be left shirkats (former state and collective farms) and private farms' disposal. The MY04/05 average state procurement price was set at Sums 85,000/MT and Sums 110,000 for wheat procured as planting seed. Approximately 55 – 60 percent of the wheat is suitable for food consumption. The remainder is used for feed and other purposes. Many private bakers prefer using Kazakh wheat.

(The average exchange rate for June-July 2004 – Sums 1010.00 = USD1.00)

PSD Table

Country	Uzbekistan, Republic of						
Commodity	Wheat						
					(1000 HA)	(1000 MT)	
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official	Estimate [DA Official]	USDA Official	Estimate [DA Official]	USDA Official	Estimate [New]	
Market Year Begin	07.2002		07.2003		07.2004		MM/YYYY
Area Harvested	1200	1200	1450	1440	1400	1370	(1000 HA)
Beginning Stocks	550	475	900	700	1350	730	(1000 MT)
Production	5000	4800	5400	5400	5500	5200	(1000 MT)
TOTAL Mkt. Yr. Imports	254	250	200	80	200	100	(1000 MT)
Jul-Jun Imports	254	250	200	80	200	100	(1000 MT)
Jul-Jun Import U.S.	40	30	0	0	0	0	(1000 MT)
TOTAL SUPPLY	5804	5525	6500	6180	7050	6030	(1000 MT)
TOTAL Mkt. Yr. Exports	0	0	0	450	0	400	(1000 MT)
Jul-Jun Exports	0	0	0	450	0	400	(1000 MT)
Feed Dom. Consumption	800	800	800	800	800	800	(1000 MT)
TOTAL Dom. Consumption	4904	4825	5150	5000	5350	4900	(1000 MT)
Ending Stocks	900	700	1350	730	1700	730	(1000 MT)
TOTAL DISTRIBUTION	5804	5525	6500	6180	7050	6030	(1000 MT)

PRODUCTION AND TRADE POLICY

Back in 1996-97 the Government of Uzbekistan (GOU) put forward the aim of achieving a self-sufficiency in wheat production. In the past years, after partially achieving this aim GOU's policy in wheat production remained unchanged, i.e. to keep wheat area almost at the same level, but increase yields by way of improving agricultural practices and through better seed selection. In near prospective, GOU reportedly plans to increase wheat exports up to 1.0 MMT.

TRADE

In MY03/04 Uzbekistan had a record wheat crop which reached 5.4 MMT, and in a result, last year according to trade related sources Uzbekistan exported about 450,000 tons of wheat. The export destinations were reportedly Iran, Afghanistan and CIS countries such as Georgia, Azerbaijan and Moldova. In MY04/05 Uzbekistan's wheat exports are forecast at

400,000 tons. Wheat exports are handled by the trading companies of the Agency for Foreign Economic Relations of Uzbekistan, and the export prices for Uzbek wheat were reportedly USD 130 per ton. Quality wise, as experts indicate, the exported wheat is of average food quality, not less than 3rd class under local standards.

As for imports, because of record crops over the last 2 years, Uzbekistan's demand for wheat imports decreased from 250,000 MT in 2002 to 100,000 MT this year. Reportedly, mainly hard wheat from Kazakhstan is imported, which is blended with locally produced wheat used for pasta and macaroni production.